

TET0010 Microeconomics I

Extended syllabus
Autumn 2025



Course aims/objectives:	To learn the main categories and characteristics of microeconomics; learn economic thinking and use obtained knowledge for understanding and analysing economical processes on the microeconomic level.
Learning outcomes:	On the successful completion of the course, students are able to: <ol style="list-style-type: none">1. understand fundamental economic concepts and theories;2. perform visual analyses of economic models and solve basic microeconomic problems (market equilibrium with externalities, consumer and producer optimization problems, consumer and producer surplus, deadweight loss, etc.);3. analyse the effects of government interventions, market regulations or external shocks on economic outcomes;4. relate the basic economic theories to real-world microeconomic problems;5. demonstrate proficiency, in both written and verbal communication, using up-to-date economic terminology.
Brief description of the course and topics to be covered:	The nature and methods of economics. Market: supply and demand, market equilibrium, supply and demand elasticity. Consumer Theory: total and marginal utilities, consumer equilibrium, indifference curve and budget line, consumer's supply, determinates of consumer choice. Production Theory: production function, isoquant, production costs, short run and long run. Market structure: perfect competition, monopoly, monopolistic competition and oligopoly; optimization in different market models; resource market. Market failures: asymmetric information.
Language of the course:	English
ECTS credits:	6 ECTS
Coverage of SDGs and ERS (sustainable development goals, ethics, responsibility and sustainability):	This teaching activity contributes to the achievement of the Sustainable Development Goals of the UN 2030 Agenda: SDG 4: providing inclusive and equitable quality education and promoting lifelong learning opportunities for all. SDG 8: promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Students:	This course is mandatory for students enrolled in the International Business Administration program. It is also open to Erasmus students, Open University students, and participants from EuroTeQ partner institutions.
Special needs:	Persons with disabilities can participate in this course. Please inform the professor(s) in the beginning of the course of any special instruction, or assessments of this course that may be necessary to enable you to fully participate in this course.
Registration:	Students who would like to take the course should declare the course in the ÕIS (Student Information System) by deadlines set in the academic calendar.
Prerequisite courses and/or knowledge:	Basic knowledge of mathematics (including first order condition).
Prerequisite resources:	MS Office programmes. For free student download see the instructions https://confluence.ttu.ee/it-info/it-arvuti-ja-oppetoeoekoht/tarkvara/microsoft-office-kodukasutus

Professor(s):	<p>Simona Ferraro, PhD (main instructor) Senior Lecturer - Department of Economics and Finance Office: SOC-455 (4th floor) e-mail: simona.ferraro@taltech.ee <u>Office hour</u>: 12:00 – 13:00 on Wednesdays. Please send an e-mail some days ahead to arrange a meeting.</p> <p>Teaching Assistant: Miina Höbenaël, MA Early Stage Researcher - Department of Economics and Finance Office: SOC-459 (4th floor) e-mail: miina.hobenael@taltech.ee <u>Office hour</u>: 16:00 – 17:00 on Wednesdays. Please send an e-mail some days ahead to arrange a meeting.</p>
Contacting Professor(s):	Preferred means of contact by e-mail, responses provided within 2 workdays .
Schedule for classes:	<p>The course consists of 12 weeks, starting from week 1. Lectures: Tuesdays 09:45-11:15 in SOC-212 (groups TVTB11, TVTB12) Exercises: Tuesdays 11:30-13:00 in SOC-212 (groups TVTB11, TVTB12)</p>
Study process description:	<p>The course combines lectures and practical parts. The schedule with topics and readings for each week is provided below (detailed plan). The aim of the lectures is to introduce the main concepts and economic intuitions. The practical parts (after each lecture) are meant to solve and discuss exercises, short readings, activities for students (in form of games, groups work). The exercises will be uploaded in Moodle with their solutions. Some extra exercises can also be provided to students in classroom to engage them in a more active participation and self-assess their understanding.</p> <p>It is strongly recommended to attend both lectures and practical part, and it is <u>important</u> that student try to solve the exercises independently. Visiting guests and/or professors may also come to teach during the semester.</p> <p>Lectures and exercises are complemented by supporting material. Interactive tools, market simulations, short readings and scientific articles will be used during the lectures to foster the understanding around economics. Attendances will be taken in each class by the instructor.</p>
Course's e-support:	<p>Course materials (slides, exercises, videos, readings) can be accessed via the e-learning environment Moodle under the course title TET0010 Microeconomics I (2025 Autumn). https://moodle.taltech.ee/course/view.php?id=35114</p> <p>If you have no Moodle account yet, please create it by filling in the registration form at https://moodle.taltech.ee/login/signup.php</p>
Study literature:	Microeconomics (Pearson Series in Economics) 9 th Edition by Robert Pindyck (Author), Daniel Rubinfeld (Author)
ASSESSMENT	<p>Examination. All in classrooms, in presence, for students in the campus. For students from EuroTeQ institutions, <u>only an oral exam</u> will be scheduled in the end of the course and it will take online, with the main instructor. Questions will cover the whole course.</p> <p>If a student is sick at the time of the midterm exam and would like to take a make-up midterm exam, she/he has to forward a medical note/certificate to Simona Ferraro by email, as soon as she/he is sick and not more than 2 days after the date of the midterm exam. The note/certificate <u>does not have to contain</u> confidential/delicate information. A make-up exam will be arranged within 5 days from receiving the email by the student.</p>

Assessment methods	Assessment criteria
Test 1 (evaluates learning outcome 1, 4, 5) independently solved test in Moodle in week 4	Maximum 100 points. Twenty (20) theoretical questions (multiple choice, true/false) in 30 minutes covering weeks 1, 2, 3 included. The test will be on Moodle, only in classroom. It is preferable the use of laptop, tablet. Alternatively, the mobile phone can be used to log in. The Safe Exam Browser will be active. Test 1 gives 10% of the total grade. The test cannot be retaken.
Midterm exam (evaluates learning outcome 1-5). Exercises solved at a pre-announced date independently in the classroom, in week 6	Maximum 100 points. Five (5) exercises . Each exercise gives different points according to the difficulty. The exam has to be solved in 1 hour and 30 minutes , independently, and covers the topics from week 1 to week 5. The midterm exam gives 30% of the total grade. The exam cannot be retaken.
Test 2 (evaluates learning outcome 1, 4, 5) independently solved test in Moodle in week 10	Maximum 100 points. Twenty (20) theoretical questions (multiple choice, true/false) in 30 minutes covering weeks 7, 8, 9 included. The test will be on Moodle, only in classroom. It is preferable the use of laptop, tablet. Alternatively, the mobile phone can be used to log in. The Safe Exam Browser will be active. Test 2 gives 10% of the total grade. The test cannot be retaken.
Exam (evaluates learning outcomes 1-5) Exercises solved at a pre-announced date independently in the classroom. The final exam will be held in the end of the course.	Maximum 100 points. Five (5) exercises . Each exercise gives different points according to the difficulty. The exam has to be solved in 1 hour and 30 minutes , independently. It covers the whole course. The final exam can be retaken only once after the first attempt. No extra homework will be given. No extra dates will be set after the third exam. The final exam gives 50% of the final grade. No additional partial exams will be scheduled during the academic year.

There will not be provided extra activities to collect points for the final grade. The final grade, hence, consists only on those 4 assessments indicated above.

The midterm and final exams must be solved individually, **without the use of any material** (books, notes, etc.). It is allowed to use calculator (it allows you to take square roots, rise to the power), black/blue pen, pencil, rule, eraser. **The use of computers, mobile phones and other equipment is not allowed during the exam.** Precise instructions on how the midterm exam and final exam are conducted, will be provided 1 week before the exam on Moodle.

Eligibility for assessment: No prerequisites

Final grade formation: 10% + +10% + 30% + 50%
The sum of points for each item is converted into a grade using the following principles:
"5" excellent 91-100
"4" very good 81-90
"3" good 71-80
"2" satisfactory 61-70
"1" poor 51-60
"0" fail less than 51

Academic integrity: As a student at TalTech School of Business and Governance, you have an obligation to conduct your academic work with honesty and integrity according to University standards. It is expected that all work that you submit will be your own, and that you have actually done the work that you are submitting. Cheating will not be tolerated. Should you be found to be guilty of such activities, it will be followed with grade "0" for the assignment or the whole course and a notice will be filed to the School's Committee for Handling Violations of Academic Practice and Contemptible

Behaviour. Depending on the Committee's proposal, it may lead to Dean issuing a letter of reprimand or in case of repeated or very severe misconduct, exmatriculation from the University.

Detailed schedule and topics

The semester plan is preliminary and might be changed in case of cancellations, changes in available reading material, etc.

Week 1: September 2, 2025

Instructor: Simona Ferraro

1. Introduction to economics: Principles of microeconomics, demand and supply

Before-class: Chapters 1 and 2

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 4h

Week 2: September 9, 2025

Instructor: Simona Ferraro

2. **CONSUMER THEORY:** Introduction to consumer theory, analysis of assumptions, budget constraint and its variation.

Before-class: Chapter 3

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 2h

Week 3: September 16, 2025

Instructor: Simona Ferraro

3. Types of goods and indifference curves, indifference curves, consumer and producer surplus

Before-class: Chapter 3 – 4 (except Section 4.2)

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 4h

Week 4: September 23, 2025

Instructors: Simona Ferraro/Miina Hõbenael

4. **PRODUCTION THEORY:** Production Function, Marginal Product of Labour and Capital

Before-class: Chapter 6

In class: lecture and seminar, discussion etc. Material provided in Moodle and watch videos uploaded (if any). Approximately 4h

After-class: At 11:35 (until 12:05) Test n. 1 Chapters to study: from Ch. 1 to Ch. 4.

The test is multiple choice, true/false. The test will last 30 minutes for 20 questions. The practical part will take place after the test!

Week 5: September 30, 2025

Instructors: Simona Ferraro/Miina Hõbenael

5. Cost of production, cost minimization

Before-class: Chapter 7. Approximately 2h

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 2h

Week 6: October 7, 2025

MIDTERM EXAM paper based

It starts at 11:00 until 12:30 (please come 15 minutes before the beginning of the exam)

Midterm consists of only solving 5 exercises. It covers: from chapter 1 to chapter 7. No class after it.

Week 7: October 14, 2025

Instructor: Simona Ferraro

7. Profit Maximization

Before-class: Chapter 8

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 2h

Week 8: October 21, 2025

Instructor: Simona Ferraro

8. MARKETS: Competitive market, demand and supply for individuals and market

Before-class: Chapter 9

After-class: read material provided in Moodle and watch videos uploaded (if any)

Approximately 3h

Week 9: October 28, 2025

Instructor: Simona Ferraro

9. Firm behaviour: Monopoly

Before-class: Chapter 10

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 4h

Week 10: November 4, 2025

Instructor: Simona Ferraro

10. Oligopoly

Before-class: Chapter 12

In class: lecture and seminar, discussion etc. Material provided in Moodle and watch videos uploaded (if any).

Approximately 4h.

After-class: At 11:35 (until 12:05) Test n. 2 Chapters to study: from Ch. 8, 9, 10.

The test is multiple choice, true/false. The test will last 30 minutes for 20 questions. The practical part will take place after the test!

Week 11: November 11, 2025

Instructor: Simona Ferraro

11. GAME THEORY

Before-class: Chapter 13 Approximately 2h

Week 12: November 18, 2025

Instructor: Simona Ferraro

12. GENERAL EQUILIBRIUM: The economics of public sectors, Market with Asymmetric Information

Before-class: Chapter 16

In class: lecture and seminar, discussion etc.

After-class: read material provided in Moodle and watch videos uploaded (if any). Approximately 3h